

# Trade FAQs

## Products

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### **What products will be permitted to be sold in new stores?**

Licensed grocery and convenience stores will be permitted to sell the following eligible products after September 5 (convenience) and October 31 (grocery):

- Beer: all pack sizes, excluding draught beer
- Wine: red, white, rose, sparkling and sake, excluding fortified wine, cream, as well as Vintages and consignment
- Cider: all pack sizes, excluding draught cider
- Ready-to-drink: coolers, hard seltzer or other pre-mixed cocktails made from spirits, wine, beer or fermented sugar

The ABV limit for beer, cider and RTD is 7.1% and for wine it is 18%. The container size limit for all categories is 5L.

### **Will convenience stores be required to order a full pallet?**

We are working on fulfilment options to best meet the needs of our customers and will be setting guidelines on minimum order quantities with the 200+ supplying sources we work with. More details will be shared in July.

### **Will wines that are below \$10.95 be permitted to be sold in the grocery channel? Will these products be in the grocery catalogue and the minimum retail price will just be \$10.95?**

We are currently reviewing our product assortment and working through expanding the catalogue to align with revised regulations and government direction.

### **If a product is accepted for Grocery & Convenience, does that exclude it from being listed in regular LCBO stores?**

No. There are slight differences between wholesale and retail product listings. For wholesale, products are permitted provided that meet eligibility requirements (refer to the relevant regulations).

For Retail, the Merchandising team issues product calls in [NISS](#) for competitive tenders on the types of products they are interested in purchasing.

### **Do all new skus that will be listed in the grocery/convenience catalogue have to go through the NISS procedure which includes full lab testing/label review etc?**

Yes. Products that are not currently listed at LCBO will have to go through the expedited process for the wholesale channel (which is more streamlined than our retail listing process). A listing process is still required as products need to be tested, labels reviewed, eligibility checked, etc. If you have questions on that process, please contact your LCBO representative.

**Is there a specific catalogue that retailers order from or will all available products (from the approved categories) be available?**

As the exclusive wholesaler to convenience and grocery stores, the LCBO provides a catalogue of eligible wine, beer, cider and RTD products which retailers can order from. We provide the relevant catalogue that aligns with the terms and conditions of retailers' AGCO licence.

**Will the RTD's be spirit-based or malt-based?**

The RTD eligibility requirements are defined in the government regulation as ready-to-consume cooler, hard seltzer or other premixed cocktail made from spirits, wine, beer or fermented sugar.

**Will there be a listing cap on new listings for the grocery/convenience channel?**

There is no listing cap for products to be included on the grocery/convenience store catalogue if those products meet the government regulations for product eligibility (e.g. Vintages and consignment are excluded). What private retail operators list, however, is solely at their discretion.

**Will agents be able to offer wines from their consignment portfolio to grocery and convenience stores? Will import Vintages Essentials be added to the grocery catalogue? Are exclusives permitted?**

At this time there is no plan to offer imported exclusive eligible products to grocery stores and convenience stores. Ontario produced eligible products can be submitted to the appropriate product call in NISS. Vintages and consignment products will not be available to grocery or convenience stores.

**Will the threshold on alcohol percentage be removed?**

No. Grocery and convenience stores cannot sell beer, cider or RTDs over 7.1% ABV, and they cannot sell wine with more than 18% ABV.

**In phase 1, will all 450 currently licensed stores be able to sell wine?**

If an existing grocery store has an AGCO licence for beer and wine, it is eligible to continue selling wine. If an existing grocery store has an AGCO licence for beer and cider, it is not eligible to sell wine until January 2031 unless it enters into a wine boutique agreement.

If you hold an AGCO licence and have questions about activities under your licence, please contact the AGCO.

**Will large packs of beer be available at LCBO?**

Yes, in some stores. We are considering how large pack beer sizes fit into our retail strategy and which locations could accommodate large packs (e.g. some stores have floor capacity limits).

or small footprints). This is in addition to the 165 LCBO combination stores that currently carry large pack beer sizes.

**Are vendors that co-pack products in Ontario would be eligible to be the supplying source for such co-packed products (with purchasing via the LCBO as wholesaler of record)?**

This situation meets the standard for Ontario produced eligibility.

**Previously, fortified wine has not been allowed in the grocery channel. Has that been changed for the new regulations with grocery and convenience stores?**

Fortified wines are restricted under the regulation and not available to be added to the catalogue.

## Grocery Operations

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**Will there be an amendment to the 2024 grocery planograms?**

Grocery retailers are private companies and they are responsible for determining product assortment to meet regulatory requirements. They determine the cadence of updating and refreshing their assortment and planograms. We encourage you to contact the private retailers to discuss in greater detail.

**Will there be any sales threshold for retailers and grocers?**

The LCBO does not set sales targets for grocery stores or convenience stores. Any sales targets are set by the individual retailers. We encourage you to contact the private retailers to discuss greater detail. The LCBO sales targets remain in place as published and apply to our retail network only.

**Many convenience stores will have limited shelf space for products – what is the estimated delivery frequency?**

It is too early to determine LCBO supplied product delivery frequency to grocery and convenience stores. We are engaging with convenience stores industry representatives and will share more information in July.

**Is cross promotion possible?**

There is no change to cross-promotion rules. Non-beverage alcohol items can be merchandised in the beverage alcohol section; however, beverage alcohol cannot be merchandised in other sections of the grocery/convenience store. For more information, refer to AGCO.

**Do shelf space requirements apply to craft products or Ontario in general?**

For the purposes of shelf space requirements, the definition of small producers (i.e., breweries, cideries, wineries, and distilleries) can be found in the [\(licensing\) regulation](#).

**How will consumers benefit from competitive retail pricing?**

Grocery and convenience stores will be able to set their own prices, which means that they may retail products above, below or the same price as LCBO. Minimum retail pricing, including the \$10.95 price floor on wine, continues to apply.

## LCBO systems and distribution

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### **Will there be a new system for PO issuance?**

The online ordering system that LCBO uses for existing grocery stores will support marketplace expansion to convenience stores and grocery stores.

### **Will the new third-party warehouse levy fines and penalties for late POs?**

LCBO vendor performance management program will continue to evolve according to previous communications ([www.doingbusinesswithlcbo.com](http://www.doingbusinesswithlcbo.com)), and once a full approach is finalized, further announcements will be made.

### **How will the LCBO prevent short shipments to grocery stores - particularly high performing skus that are already listed?**

The LCBO is committed to providing a high level of service to all of our customers regardless of the channel. LBCO will continue to work with our wholesale customers to incorporate their demand forecasts to inform our inventory planning.

*Still have a question? [Submit it](#) and we will update our FAQs.*